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Review of the regional cooperation framework for Europe and the Commonwealth of Independent States 1997-2001

Contents

		Paragraphs	Page
	Introduction	1–3	2
I.	Regional context	4–10	2
II.	Regional cooperation framework	11–18	3
III.	Regional programme performance	19–59	4
	A. Poverty eradication	21–26	4
	B. Gender in development	27–31	5
	C. Governance	32–44	6
	D. Sustainable livelihoods	45–52	8
	E. Environment	53–59	9
IV.	Management	60–68	10
V.	Conclusions and recommendations	69–77	12
	A. Conclusions	69–70	12
	B. Recommendations	71–77	13
Annex			
	Financial summary		14

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Introduction

1. The first regional cooperation framework (RCF) for the Regional Bureau for Europe and the Commonwealth of Independent States (RBEC) was prepared and approved for the period of 1997-1999 and extended to the year 2000. The main themes of the RCF were: poverty eradication; gender in development; governance; external resources development; sustainable livelihoods with an emphasis on small and medium-size enterprise development; and environment.

2. The mid-term review was carried out in accordance with Executive Board decision 97/9 of 14 March 1997. Its purpose is to assess how the regional programme has contributed to the achievement of the RCF objectives and to draw lessons learned and recommendations for the formulation of the second RCF. The mid-term review has also taken into consideration the implementation strategy for the regional programmes, also in accordance with Executive Board decision 97/9.

3. An independent team of consultants conducted the mid-term review in January 2000. The team had interviews with UNDP headquarters staff from RBEC, other relevant UNDP units, and the United Nations Office for Project Services (UNOPS); reviewed the necessary regional programme project documents, reporting and other planning and mid-term review documents, including the regional results-oriented annual report (ROAR) and the strategic results framework (SRF); conducted interviews of the management and staff of the RBEC Regional Support Centre in Bratislava, Slovakia; and visited Armenia, Bosnia and Herzegovina, Bulgaria, Georgia, Kazakhstan, Kyrgyzstan, Lithuania, the Russian Federation, and Slovakia to hold discussions with UNDP country office staff, government officials and other programme stakeholders.

I. Regional context

4. Profound political, social and economic transformation has occurred throughout Eastern and Central Europe and the countries of the former Soviet Union since the countries gained independence during the period 1989-1991. This transformation is characterized by the initial steps of nation-building and the transition from centralized rule to pluralistic democracies and from centrally planned economies to market-driven economies. While there have been common impacts and effects of this transition process across the region, the overall observation is that the transition has proven more difficult, caused more in-depth political, social and economic consequences, and will take longer and require more resources than had formerly been thought.

5. The transition of political, economic and social elements has occurred, to varying degrees, within the region, subregions and specific countries. As measured by gross domestic product (GDP), economies are still a portion of their size at independence. For instance, in Central and Eastern Europe GDP as of 1997 was only 88 per cent of the 1990 level; in the Baltics, 59 per cent; and in countries of the former Soviet Union, only 55 per cent. This has caused a drastic shift in poverty lines throughout the region. It is estimated that 119 million people live below the poverty line and that in several resource-poor and crisis countries, as much as 50-70 per cent of the population live in poverty. There have also been severe reversals in human development, such as an increase in the infant mortality in several countries and other negative impacts such as the flight of the educated labour force and youth.

6. In the 1997-1999 period, as inflation subsided in most countries, employment began to increase in several countries and reforms began to take hold, the critical position of the region was aggravated by the Russian financial crisis in 1998, instability in the Balkans and other subregional or in-country crises. In addition, where growth has occurred, various income distribution inequalities have become more visible in terms of in-country regional discrepancies and between different social groups. This has increased the prevalence of pockets of poverty and its impact on vulnerable groups.

7. Other negative repercussions have included the increase in crime and corruption, the continued presence of a substantial shadow economy (estimated to be 15-30 per cent in most countries), and worsening education and health conditions.

8. There is substantial progress towards strengthening of governance institutions and approaches as well as social and economic development. For instance, during the last year of the RCF, inflation, for the most part, has been tamed; economic growth is on the upswing or is at least

stabilizing; some effective governance institutions have been established to facilitate the changing role of the State; and, even given the crime and corruption levels in some countries, the rule of law has made important advances since the early 1990s. In addition, several East and Central European countries and Baltic countries are at various stages of preparation for accession to the European Union. This latter point shows the progress of part of the region and the range of issues that have evolved over the past decade, i.e., confronting the challenges of transforming for European Union accession to dealing with crisis situations and rehabilitation efforts.

9. Given the many demands placed on governments, they are, on some occasions, unable to meet pressing external pressure for reform and, at the same time, respond to immediate public needs and their own interpretation of reform. During the RCF period, there has materialized an awareness of the need to address these reforms in a comprehensive and prioritized manner. However, in practice, efforts sometimes appear noncommittal, slowly paced or ignored. In addition, the old ways, in terms of mentality, approaches and attitudes, still linger in the background.

10. With regard to social and economic development, the international community has been catalytic in keeping these aspects as priority issues to be addressed. The wrenching changes have increased poverty and the fragility of vulnerable groups, and caused other implications such as weakened education and health sectors. These transition consequences pose immediate, medium- and long-term concerns for stability, democracy and growth.

II. Regional cooperation framework

11. Prior to the RCF, the regional programme consisted of nearly 50 projects covering the following areas: private sector development; environment and energy; and transport and communications. The RCF assisted in focusing resources on seven projects that directly responded to the five RCF thematic areas. A point was made in the RCF to provide support to national projects, advance networking to promote theme-focused policy dialogue, support capacity-building of national institutions, and provide a support role for the national programmes by providing complementary funding for such efforts as national human development reports.

12. Of the $21 million in core resources initially earmarked for the programme, $15 million were actually assigned and $9 million expended. For non-core resources, $31 million were originally earmarked, $22 million were actually assigned and $16 million expended. The main reasons for implementation delays related to the recruitment of chief technical advisers (CTAs) and the process of transfer of projects from New York to Bratislava.

13. During the RCF preparation process, the document was reviewed by resident representatives at regional meetings (the first one took place in June 1996) and by representatives of governments, other UNDP headquarter units, United Nations organizations, and the Economic Commission for Europe (ECE). The RCF was further reviewed at annual regional meetings and at quarterly review meetings of RBEC headquarters management, RSC management and project CTAs. For the Support to Democracy, Government and Participation project, a steering committee, with representation from bilateral and multilateral partners, was in operation up to mid-1998.

14. One of the principles of the RCF was that the regional programme would promote substantive and financial integration of RCF activities with those of country cooperation frameworks (CCFs). Therefore, regional activities complemented national projects, and regional programme inputs were co-funded by national project budgets, thus assuring country ownership as well as absorption capacity for regional inputs at the national level.

15. The dramatic changes in the region spurred by the crisis in the Russian Federation, the instability in the Balkans, and the overall slow pace of reform in most countries, did have a negative impact on the speed of implementation of the RCF. Given the theme areas to be covered over a large and geographically diverse region, it was realized that to implement the RCF successfully, an improved management mechanism and more focus on specific areas of concentration would be needed. The feedback from the country offices, governments and other stakeholders pointed out these weaknesses. Thus, in 1999, the programme was reorganized in clusters: good governance and economic and social policies.

16. The regional ROAR and the SRF, in their formulation and execution in 1999 (the third year of the RCF implementation), reflected the broad outlines

of the RCF. They translated the objectives of the RCF into specific outcomes, outputs and partnerships that were monitored during the last half of the RCF. The cluster approach facilitated the planning, monitoring and reporting aspects of these new results-management instruments.

17. To illustrate how the regional ROAR and SRF aligned themselves with the RCF, it is helpful to review the main goals and subgoals:

(a) *Create an enabling environment for sustainable human development (SHD)*. The subgoals were to promote national, regional and global dialogue and cooperation to widen development choices for sustainable and equitable growth; strengthen the capacity of key governance institutions for people-centred development and foster social cohesion; promote decentralization that supports participatory local governance, strengthens local organizations and empowers communities; and promote an efficient and accountable public sector that serves all citizens;

(b) *Eradicate extreme poverty and reduce substantially overall poverty*. The subgoals were to promote poverty-focused development and reduce vulnerability and promote the livelihoods of the poor through self-organization and access to assets and resources;

(c) *Achieve gender equality and advance the status of women*, especially through their own empowerment by ensuring gender equality in decision-making process at all levels; and fostering gender mainstreaming and developing methodologies that will strengthen the capacity to track and measure improvement in the status of women;

(d) To protect and regenerate the global environment and natural resources asset base for sustainable human development by promoting integration of sound environmental management with national development policies and programmes; and promoting equity and burden-sharing in international cooperation to protect and enhance the global and regional environment.

18. The more specific aspects of the programme and its results orientation can be exemplified in the areas of governance and gender. In the former, UNDP activities served as a catalyst for the regional advancement of ombudsman and human rights institutions in terms of advocacy, experience-sharing and actual institution-building and policy-making. For example, under the regional project RBEC organized the conference *The New Yalta: Commemorating the 50th Anniversary of the Universal Declaration of Human Rights*. Assistance was also provided to national project efforts on ombudsman institution-building in, among others, Kyrgyzstan and Romania, and to human rights activities in the country cooperation frameworks of Belarus, Bulgaria, Latvia, the Russian Federation and Tajikistan. With regard to gender, RBEC contributed through the regional project to the preparation of national action plans for the implementation of the Beijing Platform of Action in most countries, prepared an extensive electronic information exchange and network (including a web page) that remains active, and complemented/advised several national programmes for gender unit and non-governmental organization (NGO) strengthening.

III. Regional programme performance

19. The implementation and performance of the RCF were affected by the pace of the multidimensional nature of the transition. While the main thematic areas remained consistent throughout the period, the sub-objectives and activities were adjusted, sometimes in a planned manner and sometimes to meet specific issues, and respond to the emerging needs of the region and subregions.

20. The following is a description of the performance of each of the thematic areas. The description includes an identification of key outputs and their contribution to the attainment of the outcomes of the RCF, and collaboration with United Nations specialized agencies, funds and programmes and external assistance providers.

A. Poverty eradication

21. The activities in this area have contributed to the goal of identifying and promoting pro-poor macroeconomic and sectoral policies. The research carried out and the statistics provided also contributed to the preparation of anti-poverty plans. While these efforts did not directly eradicate poverty, they did promote more poverty-oriented development strategies and approaches. For instance, national human development reports and other topical research and

statistics directly contributed to the identification of poverty as a transition and development issue that had to be contended with in a cross-cutting manner. Previously, poverty, while evident, was not seen as a major issue by governments. The efforts under this area had an impact on almost all countries, as evidenced in more poverty-oriented policies with regard to employment generation, welfare programmes, and health and education reform.

22. Two of the key outputs of this area were the production of a regional document *Poverty in Transition* and a subregional document *Central Asia 2010*. The former document went beyond numbers of poor people to providing an analysis of reversals in human development. It contained a broad framework of key measures required to address poverty and equity in the region. This document has been widely used by government officials, NGOs, think tanks, and academic institutions. It is also used as a text in universities in 38 countries. The latter document was the output of a subregional conference organized in Almaty in 1998, which focused on three areas: the political and economic context; measures to increase income and employment; and social investment and equity. Eighty high-level government representatives from the Commonwealth of Independent States participated. The conference, with support from other external assistance agencies represented the first attempt to have the countries themselves recognize the need to address poverty as a main policy aim and to apply a more human development-oriented transition and development approach.

23. To facilitate the discussion on the impact for the region of the Russian financial crisis, a conference on the economic and social fall-out of the global financial crisis was also organized in 1998, jointly with the Economic Commission for Europe and the Harvard Institute for International Development. More than 200 participants attended this event from within and outside the United Nations system. With regard to follow-up to the World Summit on Social Development (WSSD), the Central Asian and Trans-Caucasus Regional Forum on Social Development was organized in Baku in 1999 with the participation of over 100 representatives from NGOs, governments, private sector and academic institutions.

24. Through support provided in the preparation of national human development reports (NHDRs), multidisciplinary groups were established and consultative processes with wide sectors of society on key human development issues were advanced. The assistance ranged from the holding of 12 regional workshops to improve NHDR quality to providing advisory assistance to specific NHDR preparation groups in addressing specific issues. As a result of the interventions, the substance and focus of NHDRs has improved to the stage where there are now competent capabilities in most countries to prepare such reports with limited external interventions. In addition, regional/subregional reports have been prepared to promote policy-oriented discussion on issues of transition.

25. The effort to prepare a pilot project for the development of university-level curricula in human development and social statistics has proven positive. Several national projects have begun and universities have accepted and applied the curriculum on their own, e.g., in the Russian Federation, where a masters programme on human development is now offered in 25 Russian universities.

26. Efforts were also made to strengthen social statistics. However, limited progress has been made, in part owing to the weak status of the statistical systems of most countries in the region and the need to reorient them to produce more dependable, usable social statistics. Future efforts to strengthen NHDRs should aim at improving household and labour-force surveys and at drawing policy-related conclusions from the statistics.

B. Gender in development

27. This area was further defined by two goals and several subgoals of the ROAR. For poverty eradication and sustainable livelihood, the focus was on the promotion of livelihoods of the poor through self-organization and access to assets and resources, mainly addressed by small and medium-size enterprise development and microfinance (see sustainable livelihoods, below).

28. Some progress was made in the goal to achieve gender equality and advance the status of women, especially through their own empowerment. Prior to the RCF, limited attention was given within the region to gender issues and needs. The programme has contributed to advocacy as well as to education, the legal framework and institution-building. Outputs

include the establishment or strengthening of 21 gender units and the preparation and adoption of National Action Plans for the implementation of the Beijing Platform of Action in almost every country. In an indirect manner, the training and information-sharing initiated and supported by the regional project contributed to creating core groups of individuals in most countries to advance gender issues and responses. The following two conferences were organized in the area of gender and human rights: Gender Equality as part of Human Rights (Geneva, 1998), and Women's Rights are Human Rights: Women in Conflict (Baku, 1998), where the Baku Declaration was adopted.

29. Workshops and training were provided to parliamentarians and others as part of the subgoal to ensure gender equality in decision-making at all levels. Constitutions and existing legislations were reviewed using gender guidelines and recommendations were provided for developing laws to ensure equal opportunity and other gender-related issues and for developing mechanisms to monitor the laws. These efforts were carried out in combination with governance activities (see paragraphs 32-44) and the region-wide focal point and electronic network established by the regional project. The extensive electronic network of NGOs, gender units and researchers, along with the regional gender web site, remain in existence and are widely used.

30. A manual on gender-mainstreaming was prepared and provided to NGOs, trainers and others as part of the subgoal to foster gender-mainstreaming. Efforts were also made to disaggregate statistics. Gender-related curriculum and training manuals were also developed and disseminated to selected universities throughout the region. The mainstreaming of gender-in-development efforts performed to date can be considered preliminary. For the next RCF, the mainstreaming of gender issues is essential. Also, this effort relates to the previous area with regard to strengthening the human development statistical base to further statistical disaggregation and to improve gender-related statistics collection and analysis.

31. The project responding to this area (RER/97/002 Gender in Development) was executed by the United Nations Office for Project Services (UNOPS). Cooperation and/or cost-sharing was established with the Economic Commission for Europe (ECE), the Food and Agriculture Organization of the United Nations (FAO), the Organization for Security and Cooperation in Europe (OSCE), the United Nations International Drug Control and Crime Prevention Programme (UNDCCP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), the United Nations Industrial Development Organization (UNIDO), the United Nations Development Fund for Women (UNIFEM), the United Nations Inter-agency Group on Women and Gender, and bilateral donors and others. Partnerships were also established with numerous in-country NGOs in carrying out the project.

C. Governance with an emphasis on democracy, governance and participation and external resources development

32. The support to advancing democracy, governance and participation was initially a wide-ranging effort. As the RCF matured and as the project under this programme (RER/96/009 Support to Democracy, Governance and Participation) adjusted to regional needs within the confines of its resources, the efforts became more concentrated on the use and functions of ombudsman offices and human rights institutions. These institutions were extremely weak or non-existent in the countries prior to the RCF. Direct assistance was provided through the regional programme in the preparation of human rights-related laws and the formation of ombudsman-type institutions in seven countries. Multi-country human rights training workshops were conducted in Estonia, Kazakhstan, Poland, the Republic of Moldova and the Russian Federation. Assistance was also provided to prepare national democracy, governance and participation projects. Smaller efforts, such as publishing in Russian *How to Submit Complaints to the Commission on Human Rights* has had an impact by increasing the number of submissions to the Commission from the region. Special mention should be made of the publication of the report "The Shrinking State: Governance and Sustainable Human Development". This report contributed to promoting the debate within and outside the region on the reduction of government spending and size, and its consequences on poverty, economic and social inequality, social sectors, and the environment.

33. A visible contribution of the programme has been a series of events that represent a region-wide effort in the area of good governance: a regional Workshop on Partnerships and Empowerment: the Role of Participation (Moscow, 1997); the Third International Workshop on Ombudsman and Human Rights (Riga, June 1997); the Third International Conference on New and Restored Democracies (Bucharest, 1997), attended by 308 government participants from 80 countries as well as representatives from international institutions and civil society organizations (CSOs); the first Workshop on Decentralization and Local Governance in Eastern and Central Europe (Prague, 1997) where representatives from 17 countries participated; a regional Conference on Public Service in Transition (Thessaloniki, 1997) where representatives from 23 countries participated; in partnership with OSCE, the fourth and fifth international workshops on ombudsman and human rights (Warsaw, 1998 and Almaty, 1999); a regional conference on decentralization (Yerevan, 1999), where representatives from 22 countries participated, and the *Declaration on Decentralization* was adopted; and a regional symposium on socio-economic policies during macroeconomic stabilization (Ashgabat, 1999).

34. With the clustering of governance activities into project RER/99/003, the emphasis of democracy, governance and participation activities was changed. There is now greater concentration on the establishment of early-warning systems (relating to potential crisis situations), now being carried out in the Balkan subregion and initially addressed in the Caucasus and Central Asia. Emphasis is also being placed on developing the capacity of CSOs in addressing poverty. This is initially being done by conducting needs assessments, using the Internet capability of the RBEC Subregional Resource Facility (SURF) (located at the Regional Service Centre) and providing regional and subregional training. These efforts began in early 2000 and no major conclusions can yet be drawn.

35. To further institution-building, the emphasis is on strengthening parliamentary structures, systems and processes. Assistance has been provided to the Commonwealth of Independent States Interparliamentary Assembly in Saint Petersburg in terms of providing model legislation. An example of country assistance is the preparation of a parliamentary support project in Tajikistan and needs assessments in Romania and Kazakhstan. These efforts are targeted mainly at parliamentary procedures and decision-making that aims to reflect citizen concerns.

36. In the area of decentralization and local governance, several country needs assessments have been conducted. Direct support was provided to the former Yugoslav Republic of Macedonia in legislation development and the capacity-building of local authorities. UNDP is helping to establish anchor local government information network (LOGIN) institutions in the former Yugoslav Republic of Macedonia, Kazakhstan, the Kyrgyz Republic and Lithuania by facilitating round-table meetings on fiscal decentralization with the Council of Europe, the United States Agency for International Development (USAID) and the World Bank.

37. The governance component of this thematic area was further defined and activated by the goal to create an enabling environment for SHD. The related subgoal was to promote national and regional dialogue and cooperation to widen development choices for sustainable and equitable growth. The dialogue and cooperation was most positive when the activities concentrated on specific issue areas such as the ombudsman institution and human rights. Responding to the subgoal of strengthening the capacity of key governance institutions for people-centred development and fostering social cohesion was more fully addressed under the good governance cluster project. Here, too, as with the subgoals of promoting an efficient and accountable public sector and promoting decentralization, more of a contribution was made when activities were concentrated in priority subject areas. Given the many needs in the region, even in countries seeking accession to the European Union, for public administration reform, parliamentary reform, anti-corruption, decentralization and the strengthening of CSOs, a medium- to long-term strategy for providing assistance is needed.

38. In view of the resources of the programme and the diversity of the region, it is recommended that, for the next RCF, specific and more limited democracy, governance and participation issues be identified that apply to the region or specific subregions. Also, given the importance of addressing corruption, especially in the public sector, there needs to be further integration of any regional and country efforts with the Global Programme of Accountability and Transparency.

39. Overall, the external resources management (ERM) effort contributed to the subgoal of strengthening key governance institutions and promoting a more efficient and accountable public sector. Previous to the RCF, such country-level ERM efforts were conducted in an uncoordinated manner that left external assistance programmes donor-driven and not necessarily linked to transition and reform priorities. While several countries had national projects on debt management, national technical cooperation assessment and programme (NATCAP) activities, and ERM, the regional programme allowed for the subregional and regional/interregional cross-fertilization of approaches and methodologies as well as provided training on specific ERM technical subjects.

40. The strengthening of national capacities was addressed mainly by study tours and workshops. Five study tours to Latin America were organized with participants from 14 countries. The study tours focused on exposing officials to partnerships established between governments, international financial institutions and UNDP.

41. Seminars on debt management attempted to develop a cadre of personnel who can deal with debt-management responsibilities. The seminars helped in developing capabilities, the formation of a regional debt-management association, and the application of the United Nations Conference on Trade and Development (UNCTAD) debt management software. However, the medium and long-term impact of this effort is not yet evident. While 40 participants from 15 countries were trained, several of those trained moved to other positions, thus resulting in limited sustainability. The association is no longer active, and the software was installed in only five countries.

42. For emerging donor countries, study tours to donor countries and to the Organisation for Economic Cooperation and Development (OECD) were helpful in exposing these countries to the institutions, requirements and approaches adopted by external assistance institutions and capabilities. The tours complemented the national project efforts of the Czech Republic, Hungary, Poland and Slovakia.

43. The focus in the future needs to be on ERM ownership and having the proper institutions to implement an effective programme. Subregional workshops that involved experience-sharing and lessons learned in specific technical areas have been the most beneficial. Such efforts in the areas of negotiations, programme monitoring and evaluation would be warranted for the next RCF. Secondly, the effort to facilitate the development of emerging-donor capabilities to provide external assistance should continue to complement national project efforts.

44. The project was executed by the Slovak Academy of Education and implemented by UNOPS. Activities were implemented with the cooperation of the Department for Economic and Social Affairs of the United Nations Secretariat, UNCHR, UNESCO, OSCE, the World Bank, USAID, the Council of Europe and others. For ERM, the project was executed by UNOPS with UNCTAD providing debt-management software and co-sponsoring debt-management training along with the International Monetary Fund (IMF), the United Nations Institute for Training and Research (UNITAR) and the World Bank. OECD provided cost-sharing for a seminar on OECD procedures; and various bilateral donors provided cost-sharing and technical support.

D. Sustainable livelihoods

45. This thematic area was addressed by concentrating on small and medium enterprise (SME) development to provide employment opportunities, especially for women. It also addressed the HIV/AIDS epidemic by providing (a) support services to people infected; and (b) information on prevention.

46. To assist SME development in general, the programme concentrated on improving the enabling environment for SMEs so as to form businesses and generate employment. It also provided policy advice on how to create mechanisms for microcredits, especially for the poor and vulnerable groups. The activities responded directly to the poverty eradication and sustainable livelihood goal of promoting the livelihoods of the poor through self-organization and access to assets and resources. While some progress was made using SMEs as a tool, a more regional or subregional approach may have had more of an impact than a country-by-country approach.

47. Strengthening the SME enabling environment was addressed by providing advice and training. As a result, the programme provided training materials on 20 SME topics, trained 130 people and 20 SME project

managers from 10 countries (most of whom were women). In addition, 15 project concept papers were prepared, leading to the 10 national SME projects. Two of the projects were financed with private-sector funding. Training was also provided to support national business advisory and support centres and incubators; and an impact-monitoring system was prepared and initially implemented.

48. Providing access to microfinance was addressed by preparing microfinance case studies, conducting surveys on SME finance programmes in several countries and preparing guidelines for microfinance lending. As a result, credit programmes were established in three countries and two of the microfinance lending documents were translated and published.

49. The main project in this thematic area, RER/97/005 Umbrella Programme to Support Small and Medium Enterprise Development, was reviewed by participants as having made visible impact when it targeted its resources to specific country SME efforts such as the Bulgaria and Kazakhstan SME projects. However, given this country-by-country approach, and the limited financial and human resources, the project could address the needs of only several countries.

50. For the increased participation of women in business through the promotion of SMEs, the intended outcomes were more concrete and region-oriented although most results are measured on a country-by-country basis. For instance, business service centres for women entrepreneurs were established, mainly by national projects, with the regional project providing technical support; bi-annual regional forums and other workshops were organized for women entrepreneurs with a total of 155 women trained; microfinance schemes for women were designed and implemented in several countries; women were given training as resource persons and a training-of-trainers programme was formulated for Latvia; seven national projects on women in business were formulated; two surveys were conducted for the establishment of women's business associations in Georgia and Lithuania; a database for the interchange of women-produced goods and services was developed; and a guide for women entrepreneurs was prepared.

51. As HIV/AIDS continued to spread through the region, national governments began to see the socio-economic impact of the epidemic and became more receptive to working with external assistance providers to respond to the growing problem. The UNDP efforts directly reflected and activated the subgoal of reducing vulnerability and promoting poverty-focused development. Although the impact of such efforts is difficult to measure, the regional programme addressed the issue by pursuing a broad-based community response to HIV/AIDS through the active involvement of NGOs and awareness-creation campaigns. Activities included pilot efforts to document and share lessons on policy approaches; the establishment of a network of HIV/AIDS focal points in Latvia, Lithuania, Poland, Romania and the Russian Federation; the preparation of national strategy concept papers for Latvia and Lithuania and recommendations for country programmes in the Baltics and East and Central Europe; various training and sensitization missions in the Russian Federation and Poland; and the development and dissemination of information material in Russian.

52. The SME Umbrella Programme was UNIDO-executed. One national project design had UNCTAD support and two national project designs had private-sector funding. The SME elements involving women's initiatives were sponsored by the gender-in-development project. The HIV/AIDS efforts were conducted with a variety of resources, including the global programme, the Joint United Nations Programme on HIV/AIDS (UNAIDS) and RBEC regional programme funds, and executed by UNOPS.

E. Environment

53. Before the RCF, and even more during its implementation, environmental protection and natural resources management have become more of a transition and development issue. This is mainly because attention has been drawn to the unsustainable agricultural and water-use practices of the Soviet era and the limited investment made then in protection and management since they were not viewed as priority areas.

54. Initially, the regional programme addressed environmental management in transition through RER/97/001, Environment and Development. The project provided country-office support to document formulation for Agenda 21-related projects, specific country-office advisory services for environmental projects, and support to regional and subregional

conferences and workshops. The impact of the project was limited, given the failure to recruit a full-time project manager.

55. The approach to address environmental protection and natural resources became more focused through the development of the ROAR and the SRF. As part of the goal to protect and regenerate the global environment and to maximize the asset base for the promotion of SHD offered by natural resources, two subgoals were established: (a) promote the integration of sound environmental management with national development policies and programmes and (b) promote equity and burden-sharing in international cooperation to protect and enhance the global and regional environment.

56. The first subgoal was addressed by preparing legal, regulatory frameworks and policies that link the sustainable management of natural resources to critical areas of development. This has involved the development of national plans for regional development, the preparation of new laws on energy efficiency in several countries, and the formulation of national projects in the former Yugoslav Republic of Macedonia and Georgia. Awareness has also been raised through workshops to sensitize parliamentarians and CSOs in partnership with institutions such as Friends of the Earth, the Regional Environment Centre (Budapest), the Stockholm Environment Institute, the World Wildlife Fund and other NGOs. An agreement was also made with the Regional Environment Centre in Budapest and the RBEC SURF to establish a network of NGOs for information and knowledge-sharing.

57. A more coordinated effort has also developed collaboration with the Global Environment Facility (GEF) and Capacity 21. Two project proposals were prepared in the areas of agriculture (relating to the food industry) and the production and processing of solar silicone panels. Preparatory assistance was also provided to assess national capacities on environmental management in five countries. In addition, several project proposals were presented for funding from the private sector.

58. The second subgoal concentrated on the preparation for, implementation of and follow-up to international conventions, agreements, protocols and programmes at the national level. The regional programme focused on establishing regional and subregional frameworks to address long-term solutions. This includes GEF/UNDP support for the preparation and implementation of strategic action plans for the environmental management of the Danube River Basin, the Black Sea and the Dnieper River. A Caspian bio-resources network was also established with the identification of high-priority investment projects. Co-financing is being provided by the United Nations Environment Programme (UNEP), the European Union through its TACIS initiative, and the World Bank.

59. The impact on environmental and natural resources would have been greater if the subgoals and corresponding activities had been more narrowly defined.

IV. Management

60. Each of the seven individual projects of the RCF (except RER/97/001 Environment) was managed by a full-time Chief Technical Adviser. Three different types of management arrangements were implemented. The Gender-in-Development project had one overall coordinator (based in New York) and two subregional managers (one based in Bratislava and the other in Tashkent). The Democracy, Governance and Participation project had a CTA (based in Bratislava) and one subregional focal point in Poland (focusing on human rights). Each of the remaining projects was managed by a single CTA.

61. Five of the projects were executed by UNOPS. The SME project was executed by UNIDO, whereas the Democracy, Governance and Participation project was executed by the Slovak Academy of Education, with UNOPS as the implementing agency. In the transformation of the seven individual projects into two cluster programmes, it was decided to have the two clusters executed by the Centre for Economic Development, a Bratislava-based think tank. The decision to select a local think tank was in line with Executive Board decision 97/9, in which the Board emphasized the "... need for regional ownership of the regional programmes and the importance of strengthening the capacity for regional execution by national, subregional and regional institutions, including by the private sector, non-governmental organizations, and academic institutions". It is also consistent with RBEC efforts to strengthen the substantive capacities of indigenous NGOs as well as partnership arrangements for all aspects of programme development. Furthermore, this arrangement provides

substantial savings over the former arrangements. As this is the first experience with NGO execution for the RBEC regional programme, it should be evaluated during the implementation period of the next RCF and compared with similar experiences in other regions.

62. The establishment of the Regional Support Centre in Bratislava in 1997 provided RBEC with the opportunity to move the regional projects within the region. Although the main purpose of RSC was to manage national programmes for those countries without local UNDP offices as well as to serve as a regional training and support centre, RBEC management envisaged the following benefits from having all regional projects in the same location: better substantive synergies and cross-fertilization among the thematic areas to be covered; integrated work planning and implementation processes; more equitable sharing of the time of regional project specialists among all participating countries; direct and more frequent interactions with country governments, NGOs, donors, regional and national institutions and other stakeholders; savings from the sharing of common premises and services as well as from having collective quarterly meetings for progress review and the preparation and updating of work plans. The use of the RSC Coordinator as the Principal Project Resident Representative was thus initiated and implemented under the overall policy direction and oversight of RBEC headquarters. This arrangement of having all regional projects located together is experimental for UNDP and must be evaluated.

63. Among the key preliminary lessons being derived from this experimental single-location arrangement are the need to ensure: clearer division of responsibilities between RBEC headquarters and the RSC Coordinator; the systematic involvement of country office colleagues and key stakeholders in semi-annual or annual regional programme review meetings; better coordination of resource mobilization efforts accompanied by clearer and more consistent messages on the objectives of the regional programme and of its achievements; greater attention to cost-efficiency and effectiveness in the use of limited regional programme resources; better integration of databases and web pages produced by the individual projects; greater use of information technology.

64. In regard to the efficiency and effectiveness of the different project management structures, each had its pros and cons. For instance, the GID project management approach helped the subregional advisers to concentrate on their respective subregions and resulted in more targeted programming and more follow-through. However, the three-person management structure also created difficulties in decision-making, approach and focus. The Human Development Statistics and Reporting project established an effective region-wide communication network to assist communications, information-sharing and the provision of advisory services. The SME project CTA had a more hands-on, field-oriented approach, concentrating efforts on specific project activities in specific countries. Overall, the different project management structures and approaches limited the effectiveness of having all projects located together. The cluster approach is seen to be a move in the direction of overcoming this difficulty, with greater time and attention being given to substantive support to programme countries rather than to managerial and process-related concerns. However, there is still potential during the next RCF to streamline further the management of and focus on key regional priorities.

65. From a planning, monitoring and feedback perspective, there were various efforts to discuss and review the regional programme. The annual regional resident representative meetings as well as quarterly and semi-annual subregional resident representative meetings included the review of progress of the regional programme as a standard agenda item. CTAs participated in all the regional meetings and in some subregional meetings. Programme country stakeholders were invited only to regional or subregional thematic events supported by the regional programme. The exception was the Democracy, Governance and Participation project, which operated up to mid-1998 with a steering committee, with key partners (from programme countries, United Nations organizations and regional institutions such as OSCE) participating in the periodic meetings organized to discuss and agree on programme priorities. With a change of CTA towards the end of 1997 and the implementation of quarterly review meetings of the regional programme at the RSC, the steering committee mechanism was discontinued.

66. The review pointed out that even with the cluster approach, there is a need for a more streamlined focus on RCF themes with greater prioritization of objectives and greater precision in the identification of key services to be provided. This involves concentrating

resources on several key issues in each theme area that can either be addressed across the region or in subregional groups. Also, the services to be provided must be explicit and in line with the UNDP emphasis on service lines. The review suggested adopting a menu of services so that stakeholders can understand what can be expected of the regional programme.

67. The review indicated that there was insufficient knowledge of the regional project objectives and achievements by both UNDP staff and programme country partners. This is partly explained by the fact that the regional programme was designed to complement national programmes not only substantively, through the provision of advisory services and training from regional project specialists, but also financially, by ensuring that certain activities would be co-funded by the regional programme TRAC and national programme TRAC. Although the intention of this design was to ensure greater ownership of the regional programme by country governments and other partners, the result was the blurring of the distinction between the support being provided by the regional programme and that provided by national programmes. Furthermore, the element of strategic value-added of the regional programme was minimized when support was focused on a country-by-country basis rather than being provided selectively and strategically for objectives, areas and issues that were common to a group of countries and for which a regional or subregional approach could make a difference.

68. The establishment of electronic networks and web sites has received positive comments from programme countries, particularly the gender web site, which is the most advanced of all the thematic web sites. There is an opportunity to improve the relationship and coordination between the RSC and the SURF through the sharing and dissemination of best practices and lessons learned. It would be helpful to have a single information technology effort that coordinates these electronic networks and other Internet-based activities.

V. Conclusions and recommendations

A. Conclusions

69. The RCF has responded to certain thematic objectives and issues. However, for reasons explained in preceding sections, it did not evolve into one coherent programme. Instead, the programme was implemented as individual project efforts with some cross-fertilization, management and operational efficiencies and linkages. There was insufficient understanding by programme-country stakeholders of regional programme objectives and activities. The outputs attained could have been more visible and could have provided a better basis for sustainability if the RCF had focused on fewer thematic areas, had offered a menu of services, and had had at its disposal a larger level of human and financial resources.

70. Some of the key lessons learned are the need to ensure:

(a) An improved management structure with clearer division of responsibilities between RBEC headquarters and the RSC Coordinator;

(b) Prioritized objectives, activities and outputs, more streamlined focus on thematic areas/issues and well-defined support services;

(c) Improved sharing and dissemination of information;

(d) Greater use of regional country think tanks;

(e) Improved coordination with the Subregional Resource Facility;

(f) The introduction of a client-survey mechanism so that the regional programme constantly takes into account evolving country interests and needs;

(g) Greater concentration on subregional themes and issues;

(h) More systematic use of monitoring and evaluation systems to assess programme impact and cost-effectiveness.

B. Recommendations

71. The RCF has identified key theme areas that were responsive to regional needs. For the next RCF, the challenge is to translate the selected theme areas into objectives and sub-objectives that can be acted upon through a coherent programme approach. This approach will further the ability to reap the benefits of management, finance and programming efficiencies. At the same time, there is a need to focus regional efforts on specific objectives and sub-objectives that affect the region as a whole or affect several countries in a subregion. These objectives should be limited, in accordance with the resources available, and be in the areas where UNDP has a niche and where substantive collaborative efforts can be established with other external assistance providers, country governments, NGOs and other stakeholders.

72. Concentration must also be on mainstreaming certain cross-cutting issues, such as gender-in-development concerns and environment, at the regional level. Other UNDP regional experience and the experience of other providers of external assistance should be reviewed so as to attempt mainstreaming adequately in the next RCF.

73. Related to the focus on priority objectives, a distinct menu of services should be identified to communicate to stakeholders what can and cannot be provided by the regional programme. The menu should be communicated extensively and repeatedly to all stakeholders.

74. The use of information technology can be further capitalized on by: (a) adopting the technologies for management, communication, information-sharing and education purposes and (b) coordinating these activities so one clear stream of communication and information flows through the region. The efforts of the regional programme and the SURF in this area should be further integrated and UNDP headquarters research and activities applied in the relevant theme areas. Local institutions such as think tanks, academic institutions, and CSOs should be tapped as resources and their contribution integrated into information technology networks.

75. During the next RCF, more emphasis should be placed on the input from governments, NGOs and other stakeholders. While this will be more time-consuming, it will help to include these stakeholders in the planning and decision-making processes and, at the same time, foster real partnerships and assist in capacity-building. Annual review meetings with all stakeholders and UNDP country office staff should be organized. Regular updates on progress and achievements should be provided electronically.

76. For the next RCF, monitoring and evaluation need to be ongoing efforts rather than one-time requirements. Such efforts should include the input of stakeholders, be they country offices, other external assistance providers, government officials, or NGO counterparts.

77. A realistic resource mobilization strategy is needed. While past projects have promised certain collaborative partnerships and cost-sharing, they have not materialized for the most part. Such a strategy will help to focus efforts as well as assist in allocating adequate efforts and resources to undertake such a time-consuming task. Given the extensive donor interest in the region and a decade of experience, there is more potential for collaboration now that there are more common understandings of problems, approaches, and vehicles to deliver assistance in a more responsive manner.

Annex

Financial summary

Region: Europe and the Commonwealth of Independent States
RCF period: 1997-1999
Period under review: January 1997 to December 1999

	Regular resources		
	Amount originally assigned	*Amount actually assigned*	*Actual expenditure*
Programme areas	*Thousands of dollars*		
Poverty eradication	5 100	4 300	2 600
Gender in development	3 600	2 100	1 028
Governance	5 594	3 536	2 800
Sustainable livelihoods	5 000	3 800	2 400
Environment	1 600	1 200	400
Subtotal	**20 894**	**14 936**	**9 228**

	Other resources		
	Amount originally assigned	*Amount actually assigned*	*Actual expenditure*
Programme areas	*Thousands of dollars*		
Poverty eradication	3 200	650	650
Gender in development	700	360	360
Governance	3 700	1 100	1 300
Sustainable livelihoods	1 700	300	250
Environment	1 500	4 739	4 246
Subtotal	**10 800**	**7 149**	**6 806**
Total	**31 694**	**22 085**	**16 034**